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22 September 1960

CURRENT INTELLIGENCE WEEKLY SUMMARY



CENTRAL INTELLIGENCE AGENCY

OFFICE OF CURRENT INTELLIGENCE

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****22 September 1960****PART I****OF IMMEDIATE INTEREST****KHRUSHCHEV AT THE UN GENERAL ASSEMBLY**

Khrushchev's speech on his arrival in New York on 19 September and his subsequent remarks to the press contained no hint that he is seeking to re-establish contact with President Eisenhower or seriously attempting to alleviate the tension in US-Soviet relations.

Without directly criticizing the President, Khrushchev differentiated between those statesmen who pay "lip service" to the UN while actually opposing useful discussion in the General Assembly, and those countries which approach disarmament seriously and have sent their heads of government. He added that in view of the President's plan to address the UN, "perhaps the US has reappraised its attitude," but he implied that only direct participation in the assembly session would be evidence of a desire for serious negotiations.

A second Soviet note complaining of restrictions confining Khrushchev's movements to Manhattan, sent on 16 September, was stronger than the first, sent on 13 September, in denouncing US motives, which Moscow claimed were identical with those that prompted the U-2 flight. The note added that the United States continues to adhere to the same "hostile position it held on the eve of the four-power summit meeting."

Prior to Khrushchev's arrival, Soviet officials attempted to determine the possibility of a US initiative to arrange a meeting between Pres-

ident Eisenhower and the Soviet premier. A member of the Soviet delegation questioned American officials on such a possibility on 16 September, and other Soviet officials in Europe took similar soundings last week.

Khrushchev, apparently intent on creating an appearance of statesmanlike interest in the UN, has bypassed opportunities for informal direct attacks on the US. He did not speak at the opening ceremonies in the General Assembly, but had Gromyko make the USSR's statement welcoming new members and criticizing colonialism.

Disarmament

In the disarmament portion of his speech on 23 September, Khrushchev probably will outline the main features of a plan for complete and general disarmament, based on his proposal of 2 June with modifications to meet some of the Western objections.

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The USSR is apparently seeking changes in usual UN procedures in order to begin substantive discussions on disarmament in the UN Political Committee while the general debate continues in the General Assembly. The Political Committee--whose major item of business is disarmament--does not usually meet until after the one- or two-week period of general statements. If this procedure were followed again this year, the committee might not meet until after the departure of Khrushchev, who is scheduled to be in North Korea in early October.

According to a Polish UN delegate, the USSR will request that the assembly divide each day's work into two parts: general debate in the General Assembly in the morning, and disarmament debate in the Political Committee in the afternoon. The formal Soviet request will reportedly be made on 23 September after Khrushchev's speech to the assembly.

If successful, the Soviet move would give Khrushchev an opportunity to exercise personal influence on other heads of government in order to obtain early action in the Political Committee in support of the Soviet approach to future disarmament negotiations.

Neutral leaders of the Afro-Asian bloc, especially Nehru, have emphasized that their primary interest in attending this assembly is in the disarmament discussions. The

heads of government from India, Nepal, Indonesia, Cambodia, UAR, Morocco, Ghana, Guinea, Gabon, Lebanon, and Ethiopia are attending, and King Husayn of Jordan recently announced he will arrive about 2 October to present his case against Syria.

Prime Minister Macmillan is scheduled to arrive early next week. Other Commonwealth leaders from Canada, Australia, and New Zealand will probably follow suit. Cuba's Fidel Castro, the only Western head of state now in attendance as head of his delegation, has confined his activities to grandstand plays for the press. He is scheduled to address the assembly on 26 September, and will attack US policies and give full support to the Soviet bloc.

UN Affairs

The election of Western-backed Frederick Boland of Ireland as president of the 15th UN General Assembly and the admission of 15 new members to the organization--14 African nations and Cyprus--drew some attention away from Khrushchev on the opening day. Jiri Nosek of Czechoslovakia received 25 votes, the highest any bloc delegate has ever gained in running for the presidency of the assembly.

According to the US delegation, the new African members give an initial impression of cohesion and responsiveness to French influence. An aphorism coined by one of the new members--"one does not kick the pirogue that has safely taken you across the stream"--is being cited by the Africans to justify strong pro-Western and anti-Communist stands they may

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take. These members also reportedly intend to challenge Guinea's and Ghana's pretensions to speak for Africa.

Hammar-skjold's Position

Secretary General Hammar-skjold, bolstered by the assembly's overwhelming vote of confidence, will probably continue to exert a moderating influence on the Afro-Asian bloc, particularly the new African members, during this session. The repeated Soviet attacks on his handling of the Congo crisis have reduced the USSR's relations with the secretary general to the lowest point of his seven-year tenure. Hammar-skjold's second term of office expires in 1963. A member of the Bulgarian UN delegation has stated that the bloc will make a major effort to oust Hammar-skjold. The bloc official acknowledged that this effort

would have no success at this time but he was confident that it could be accomplished later.

Soviet Propaganda

Moscow's portrayal of Khrushchev's arrival featured reports of cordial applause and stressed that he received a warm welcome. Soviet propaganda has not attempted to make an issue of hostile demonstrations, which received only limited acknowledgment in the Soviet press.

In contrast to general bloc praise for Khrushchev's initiatives at the General Assembly, Peiping has limited its coverage to several terse news items, including Khrushchev's walkout on the speech by the Chinese Nationalist delegate, the travel restrictions imposed on the Soviet premier, and his meeting with Castro.

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UAR-JORDAN DEVELOPMENTS

Although tensions remain high along the Jordanian-Syrian border, King Husayn's stated intention of carrying his case against the UAR to the UN suggests at least a temporary reduction in the possibility of a large-scale military clash. The King apparently was hoping that an anti-Nasir upheaval in Syria would coincide with possible military action by Jordanian troops, but he and his army commander in chief now seem somewhat less bellicose. It appears unlikely that the Jordanians would attack in the absence of revolutionary activity in Syria.

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Husayn prefers to leave Jordanian troops--numbering more than 10,000--in their present

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positions for extended maneuvers and training "for some time," and if his trip to the UN produces some "positive" results, then gradually return them to their previous positions. Meanwhile, military forces of both sides continue in a high state of alert.

A UAR Second (Egyptian) Army detachment reportedly arrived in Syria [redacted]

Syrian forces have been observed entrenched along the road leading from the Syrian-Jordanian border to Damascus. Acts of sabotage in southern Syria, which the Syrians claim have been by Jordanian infiltrators, could provoke more serious incidents.

The Israelis, meanwhile, are on limited alert and are carefully watching developments. If UAR-Jordanian warfare should break out and Husayn's regime be placed in serious jeopardy, Israel probably would intervene. The UAR is cognizant of this possibility; in commenting on a brief clash on 19 September along the Israeli-Syrian border, Cairo radio called attention to the "coincidence" of Israeli and Jordanian "aggressions on the UAR border," citing this as "proof of the complete understanding" that exists between Israel and Jordan.

UAR Ministerial Changes

The UAR central and regional cabinet changes of 20 September seem to be Nasir's solution to the growing differences within the Syrian region's executive council--a problem possibly aggravated by the tension with Jordan. Nasir has apparently reaffirmed his confidence in Syrian Interior Minister Sarraj--the center of the controversy and long the mainstay of inter-

nal security--by handing him the chairmanship of the council, vacated by UAR Vice President Kahhalah.

At the same time, two of Sarraj's severest critics in the council have been assigned to duties where the opportunities for clashing with him are fewer. Syrian Minister of State Jadu Izz al-Din, who had challenged Sarraj's control of security and censorship in Syria, has been made minister of public works. Sarraj, besides the chairmanship, obtained the minister of state portfolio. Syrian Minister of Municipal and Village Affairs Tuma al-Awadatallah, who reportedly had violently opposed and insulted Sarraj, received the additional post of central minister of municipal and village affairs, and presumably will be in Cairo much of the time.

Sarraj's added authority emphasizes Nasir's continued reliance on him to keep widespread Syrian dissatisfaction with the UAR under control. UAR Vice President Marshal Amir, whom Nasir sent to oversee Syrian affairs last October, has spent the past summer in Egypt and reportedly has no desire to become involved again in the Syrian "mess." [redacted]

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Other cabinet changes represented only a reshuffling, and no new faces appear as a result. Besides trying to strengthen Sarraj, Nasir apparently made an effort to

answer Syrian complaints of too little representation in Cairo. Five Syrians were appointed to central cabinet posts.

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THE SITUATION IN LAOS

The Revolutionary Committee of General Phoumi and Prince Boun Oum in Savannakhet continues to show little disposition to compromise and is stepping up its war of nerves against Vientiane in the hope of forcing the downfall of the Souvanna Phouma government. On at least four occasions in the past ten days, Vientiane has been subjected to bursts of machine-gun and mortar fire and planted explosives. One such attack damaged the Vientiane waterworks, considerably reducing the town's water supply, which at best had been barely adequate.

time on 20 September near Pak-sane, about 75 miles east of Vientiane. Phoumi has maintained about three battalions at Pak-sane for several weeks in anticipation of his widely advertised march on Vientiane. These troops came into contact with Vientiane troops--possibly including some of Captain Kong Le's paratroopers--and engaged in a fight, with results still the subject of conflicting reports. Casualties were apparently light and the clash inconclusive.

The rival camps are maintaining a steady propaganda barrage against each other over radios Vientiane and Savannakhet. Savannakhet has come close to branding Souvanna a Communist, while Vientiane has attacked Thai and South Vietnamese support for Phoumi, warning that this activity may invite the very intervention by Communist countries which the Revolutionary Committee claims to be opposing. The Revolutionary Committee, meanwhile, appears to be tentatively moving toward implementation of previously reported plans to revamp Laos' constitutional and administrative structure.

Troops loyal to Souvanna and Phoumi clashed for the first

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King Savang, who has remained at Luang Prabang since the crisis began, has finally intervened in an effort to resolve the conflict. He issued invitations to the top military commanders on both sides to come to Luang Prabang to talk over the split in the armed forces and the political impasse. At such a meeting, commanders loyal to Phoumi would probably outvote those loyal to Souvanna.

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Souvanna Phouma for the moment gives no overt sign of being ready to resign, but he appears to be facing an increasingly uphill fight in trying to save his shaky regime.

The Phoumi group has replied, however, that it will agree to a conference of military commanders only if it is held in Savannakhet. If effect a polite rejection of Savang's proposal, this response may discourage the King from further initiatives for fear of diminishing the royal authority.

The Pathet Lao military threat against Sam Neua Province

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has temporarily abated as a result of a cease-fire called by the Pathet Lao high command on 18 September. The cease-fire applies only to areas loyal to Souvanna; the inclusion of Sam Neua in this category may have stemmed from a letter purportedly written by the Sam Neua commander affirming loyalty to Souvanna. The letter was broadcast over Vientiane radio, but its authenticity is suspect. The Sam Neua garrison has in any event reaffirmed its loyalty to Phoumi since that time. When it becomes clear to the insurgents that the region is in fact loyal to Phoumi, they may well resume their slow advance on Sam Neua town, with its vital airfield.

The Laotian Army garrison in Sam Neua has been reinforced by a company of paratroopers dropped by Phoumi and resupplied by Vientiane. The commander ordered the abandonment of several of his outlying posts and is reportedly regrouping his forces in a defense perimeter around the town of Sam Neua. While this may be a more rational defense plan, it enables the Pathet Lao to operate at will in the rest of the province.

Pathet Lao propaganda now is coming out more unqualifiedly in support of the Souvanna regime. Souvanna has admitted that a high-ranking Pathet Lao leader is in Vientiane in

a liaison capacity to prepare the way for the peace talks which were a major aim of the Kong Le coup and an important plan in Souvanna's program for solving Laos' problems.

As the Asian Communist regime most directly concerned with events in Laos, Hanoi has charged that the United States is "instigating a civil war" which could be transformed into an "international conflagration." The same 19 September broadcast stated the Laotian situation is "a direct threat to the security" of North Vietnam and that "the Vietnamese people cannot remain indifferent." Hanoi insists, however, that there are no North Vietnamese personnel in Laos. Both Moscow and Peiping also have sought to create an air of foreboding about the Laotian situation without, however, threatening direct bloc intervention.

On 21 September, Moscow issued a statement charging "crude interference" by the United States and SEATO in Laotian affairs and remarking that the "Soviet Union is attentively watching the courageous struggle waged by the peoples of Laos." All three Communist nations seem to confine the "struggle" to the Laotian people and are bitterly denouncing what they term "US instigation of intervention" by South Vietnam and Thailand.

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REPUBLIC OF THE CONGO

Colonel Mobutu is strengthening his position in the Leopoldville area. He has set up a technical commission, headed by Foreign Minister Bomboko and

staffed by Congolese university graduates and students, to administer the Congo temporarily. Although he has publicly announced that the commission will serve

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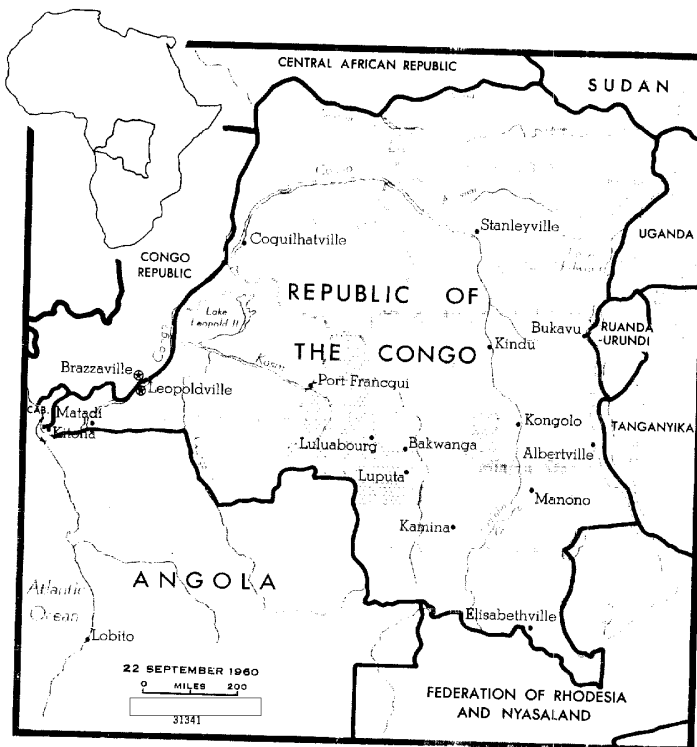
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during a three-month political truce while the various political factions seek an understanding, Mobutu has privately stated that a Kasavubu-Ileo government will take over at the end of October. During the interim, the commission will take orders from President Kasavubu.

Mobutu controls the troops in the Leopoldville area, but their loyalty is largely dependent on tribal allegiances. The three assassination attempts against the colonel--at least one of them put Mobutu in grave personal danger--show the weakness of his security system and the real threat posed by extremist action.

Premier Lumumba apparently has been unable to marshal significant support among the troops and populace of the Leopoldville area, and his influence is diminishing. He remains a very real threat to any successor government, however, particularly as long as he retains the backing of several influential African states--Ghana, Guinea, and the UAR.

The Guinean Embassy played a major role in protecting Lumumba from arrest by Mobutu's troops, as did the Ghanaian troops which ringed his office



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cial residence. As a result, Mobutu has protested to the UN Command and demanded the withdrawal of Ghanaian and Guinean troops from the Congo. The UN has agreed to replace Ghana's troops in the capital with Sudanese.

Lumumba has so far been frustrated in his effort to reach the UN General Assembly session in New York. The possibility of success of such an effort cannot be disregarded despite Mobutu's police control and intention to arrest Lumumba if he tries to leave the country.

Developments in Katanga Province suggest that the secession

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problem will become of major importance for Colonel Mobutu and play into the hands of Lumumba. Katanga's strong espousal of its separate identity and strong-arm action against dissident tribesmen will arouse the indignation of many Congolese--including moderate supporters of Kasavubu--and strengthen the conviction of leaders in Ghana, Guinea, and other African states that Lumumba is needed to prevent a breakup of the Congo.

situation continues to smolder as tribal warfare against the troops of the central government in behalf of secessionist forces occurs in scattered localities.

Bloc Moves

At the UN General Assembly special session on the Congo which ended on 20 September, the USSR abandoned its efforts to obtain endorsement of its draft resolution which, in effect, would have censured Hammarskjold's actions in the Congo and secured UN approval for unilateral aid to the Congolese Government. The bloc opposed, but abstained, on the Afro-Asian resolution--passed overwhelmingly by the assembly--supporting Hammarskjold and opposing any military assistance to the Congo outside UN channels.

Soviet Deputy Foreign Minister Zorin, in a statement to the assembly, attributed the Congo crisis to a "criminal coalition of colonialists led by the US" which utilized the UN Command and secretary general for its own purposes. He charged that the UN Command in the Congo was preventing the "lawful" government from exercising its functions and that Hammarskjold had abused Security Council resolutions.

In the face of UN developments adverse to Lumumba, who from the initial phases of the Congo crisis had received Moscow's diplomatic and propaganda support as well as direct material aid, Soviet policy-makers apparently decided to acquiesce without risking a further loss of Soviet prestige, particularly with Khrushchev now at the UN. On orders from Mobutu, the USSR and Czechoslovakia closed their embassies in Leopoldville on 17 September.

The danger of war between Congolese and Katangan forces is considerably diminished at present as a result of the UN-sponsored cease-fire under which both sides have withdrawn their troops from the border area. However, tribal warfare in several areas of central and northern Katanga against the Tshombé regime has caused a good many casualties. Furthermore, the excesses of Tshombé's forces during their clean-up operations have caused an official protest by the UN Command and threaten to involve it in serious controversy with the Katanga government. In Kasai Province the

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The Soviet Government's statement on 18 September, noting the "temporary" recall of the Soviet Embassy staff from the Congo, explained that as a result of the "intrigues of the colonialists and their agents as well as the undisguised interference of the UN Command in the Congo's internal affairs," the legal Congolese Government and parliament had been removed, making it impossible for the Soviet Embassy to function normally. The statement reaffirmed the USSR's "invariable friendship" toward the Congo Republic and its continued support and help to the Congolese people, but made no specific reference to Lumumba--indicating a more cautious Soviet approach to Congolese internal developments. Prague issued a similar statement at the same time.

The hasty departure of Soviet aircraft makes it unlikely that all bloc technicians have been evacuated.

Coinciding with the General Assembly's approval of the reso-

lution sponsored by 16 African and Asian countries, Soviet propaganda voiced its first criticism of the Afro-Asian position in the Congo situation. Moscow radio on 19 September said that African and Asian representatives "did not have enough courage to condemn totally" the policy pursued in Africa by the US, and Hammarskjold's activities in the Congo. Terming the resolution "incorrect" in having given authority to the secretary general to dispose of UN military aid in the Congo at his own discretion, the Soviet broadcast asserted that only the "socialist states" have consistently upheld the interests of the Congolese people and resolutely demanded the immediate end of the NATO powers' intervention in the Congo Republic.

Congo events have received brief coverage in the Soviet press since Mobutu's coup. In addition, the "indefinite postponement" of a Moscow public lecture on the Congo scheduled for 21 September suggests that the Kremlin is having difficulty in explaining recent Congolese developments to the Soviet people.

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PART II**NOTES AND COMMENTS****CUBA AND THE CARIBBEAN**

The Castro regime has in the past week seized the Cuban branches of all three US banks in Cuba, and the properties of several American-owned firms were taken over as a result of the nationalization of the tobacco industry on 16 September. With these moves, all but a few of the American companies operating in Cuba--once valued at over a billion dollars--are in the hands of the government. Castro therefore may respond to the next US "provocation" by calling a new "popular assembly of the Cuban people" to annul the Guantanamo base treaty. On 2 September he publicly threatened such action, and on 20 September Raul Castro repeated the threat and also declared, "We will nationalize even the foreign spies, if necessary."

The Cuban Government is giving heavy propaganda play to espionage charges against two US Embassy staff members and to the alleged "indignities" suffered by Fidel Castro in New York. The protest demonstration in Havana on 20 September led observers to comment that the crowd seemed unusually serious and determined and could easily have been incited to violence if the government had so desired. Castro's address to the General Assembly is expected to be a tirade against US policies all over the world.

Although the counselor of the Soviet Embassy in Paris told

an American official on 14 September that the Soviet premier had no intention of going to Cuba and would talk to Castro in New York, preparations are under way in case Khrushchev decides to visit Havana following his UN appearance. The Khrushchev visit to Cuba, if it takes place, may prompt anti-Castro elements to stage hostile demonstrations.

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On the domestic front, the government is faced with growing popular unrest. As many as 150 persons are reported under arrest in Matanzas Province as the outgrowth of clashes between anti-Communist and pro-Castro demonstrators beginning on 11 September. Several anti-Communists were wounded when the police and militia fired into a crowd of demonstrators.

Guerrilla activity continues in the Escambray Mountains

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attempting to force private companies that normally purchase these products to front for government purchases.

Dominican Republic

The Trujillo regime continues its efforts to circumvent Venezuela's increasingly effective moves to impose a shipping boycott. Venezuela, the world's leading oil exporter, has considerable leverage in its efforts to promote the boycott, and for some months has prevented petroleum products from the Netherlands West Indies from reaching the Dominican Republic.

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25X1 [REDACTED] large numbers of regular army troops and militia moved into the Escambray area during the week ending 17 September.

The economy is showing the effects of the regime's drastic economic and fiscal policies. The cost of living is rising and consumer goods are becoming more scarce, further alienating the public. The nationalized oil refineries have been forced to restrict their output because of shortages of the catalysts used in the refining process.

Soviet petroleum is lighter than the Venezuelan crude formerly imported and produces less of the heavy fuel oils now in short supply. The relatively high sulfur content of the Soviet crude is causing corrosion of the refining equipment, and the refineries are having difficulties in obtaining spare parts. Heavy lubricating oils are also in short supply, and the regime is

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The pro-Soviet and pro-Castro diatribes on Radio Caribe continue, and a group of Dominicans arrested for an alleged plot against the government have charged that the plot leader was a former US Embassy officer who now has left the country.

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BUILD-UP OF KHRUSHCHEV IN SOVIET PRESS

Khrushchev has set out on his latest venture in international diplomacy carrying a bouquet of personal homage from the Soviet press which matches anything accorded him since his rise to power. In recent months, and especially since the conclusion of Khrushchev's Black Sea vacation in late August, the central press has been filled with praise of Khrushchev which appears to outweigh the continuing references to "collective leadership" and condemnation of the "cult of personality."

Operating within a rigid political system which has traditionally set up a clearly defined hierarchy, official Soviet opinion-makers are apparently blinded to the contradiction between the theory of collegial leadership and the widely propagated image of Khrushchev as the principal architect of Soviet domestic and foreign policy.

Beginning with Khrushchev's recent visit to his native village of Kalinovka, where the Soviet leader freely dispensed fatherly advice and criticism to the collective farmers, the Soviet central press has been dominated by Khrushchev's name and visage. No matter what the subject, few of Pravda's editorials

or major articles have failed to invoke Khrushchev's name, and many have taken to citing "the decisions of the 20th and 21st party congresses, the resolutions of central committee plenums, and the addresses of N. S. Khrushchev" as the foundations of party policy. A phrase with similar implications, "the presidium of the central committee headed by N. S. Khrushchev," has been appearing more and more frequently.

TRIBUTES TO KHRUSHCHEV

A great reward for the Soviet Olympic athletes is the high evaluation of their outstanding successes given by Nikita Sergeyevich Khrushchev. (Izvestia, 13 September 1960)

We are happy that art comes under the direct and exclusive attention of our party, the presidium of the central committee, and N. S. Khrushchev personally. (S.V. Gerasimov, first secretary of the Board of the Union of Soviet Artists, Pravda, 14 September 1960)

The answer to this question [of how to improve propaganda work]... is given in the notable documents of our party, in the decisions of the 20th and 21st party congresses, in the resolutions of the central committee of the party, in the speeches of N.S. Khrushchev. (Pravda, 14 September 1960)

The CPSU central committee and the Soviet government, and Comrade Khrushchev himself, display constant care for the expansion of our diversified subtropical agricultural production. (Speech by deputy to provincial Supreme Soviet, Abkhaz Radio, 2 September 1960)

We read today that en route, Comrade Khrushchev is taking a lively interest in how things are going with us in the country. We declare to you, Nikita Sergeyevich, that today our brigade labored well—it overfulfilled the daily assignment for the extraction of oil fuel. (Letter from oil worker, Pravda, 14 September 1960)

The Leninist theory of peaceful coexistence is an alternative to nuclear, atomic war, which would bring catastrophic results for the peoples. An outstanding service of our party, of its central committee, and of Comrade Khrushchev consists in the fact that they have given a further, all-sided foundation and development to this theory. (Kommunist, No. 10, July 1960)

It was on board his own Soviet aircraft that the indefatigable champion of peace, Nikita Sergeyevich Khrushchev, carried the banner of peace and friendship to the peoples of many countries, to all corners of the globe. Other countless millions of people thirsting for peace are waiting for Nikita Sergeyevich as their true friend and defender from the threat of war. (Article by Marshal Vershinin, broadcast by Estonian radio, 13 August 1960)

I attribute the award to me of the Lenin Peace Prize above all to my native Ukrainian people, who...under the wise direction of the Leninist central committee and its first secretary, Nikita Sergeyevich Khrushchev, who is covered with nationwide love...are successfully building Communism.... (A. Korneychuk, Soviet writer, Pravda, 4 September 1960)

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The propaganda image of Khrushchev as a leader of comprehensive interests and knowledge whose contact with the Soviet masses has not been broken by his rise to a statesman's eminence has recently received heavy emphasis. On two recent days Pravda featured an exchange of compliments between Khrushchev and a lady swineherd who had distinguished herself in her career, and a letter to the party and government on the completion of a new metallurgical plant began, "We are reporting to the central committee of the Communist party of the Soviet Union, to the Council of Ministers of the USSR, and personally to you, Nikita Sergeyevich...."

A few days later Pravda front-paged a communication from Orenburg which began: "The agricultural workers, party and soviet organizations of Orenburg Oblast are happy to report to the central committee of the party, to the government,

and personally to Comrade N.S. Khrushchev on the successful fulfillment of their obligations for the sale of grain to the state."

The announcement that Khrushchev would head the Soviet delegation to the UN stimulated a new flow of encomiums. The press has since been replete with letters from individuals in various parts of the Soviet Union and reports from bloc capitals expressing deep confidence in the Soviet leader, who is described as an "outstanding fighter for peace."

The new accretions to the "cult of Khrushchev" probably result from a conscious effort to bolster his prestige in the face of Communist China's challenge to Soviet authority and on the eve of his foray to the UN. It would appear, however, to have the inevitable effect within the Soviet Union of reinforcing his position as a kingpin of the party and government hierarchy.

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SOVIET CAMPAIGN TO IMPROVE IDEOLOGICAL INDOCTRINATION

In a continuation of the Soviet regime's campaign--launched by a major party decree published in January--to improve the ideological indoctrination of the Soviet population, a high-level conference of propaganda officials was held in Moscow from 6 to 9 September. The meeting, called by the propaganda and agitation departments of the party central committee, was attended by republic and oblast party secretaries, editors of newspapers and journals, and various officials concerned with cultural and mass propaganda media.

The conference was opened by candidate member of the party presidium P. N. Pospelov and addressed by L. F. Ilichev, head of the central committee's agitprop department for the union republics. Ilichev reiterated in his speech the demands of the January decree and sharply criticized a number of party organizations for failing to do their propaganda work.

The central committee decree, published on 10 January, contained a scathing attack on both the substance and techniques of virtually the entire

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internal propaganda effort. Propaganda material was described as dull, sterile, and "divorced" from present economic tasks. Indoctrination efforts, it was claimed, failed to reach certain segments of the population. The decree demanded a sharp reorientation and expansion of propaganda functions, stressing that "there must be less political blather and more concrete struggle for an acceleration of the pace of Communist construction."

In sum, the decree called for the injection of new life and vitality into party propaganda to counter the chronic apathy of many party activists and the general indifference of most citizens to ideological matters. A top party propaganda chief subsequently described the decree as the "first such programmatic campaign" since 1938 and noted that the decree was a "militant, full-scale program for ideological work" which is to serve as a guide "for a long period."

Following the publication of the decree, party meetings were held throughout the country to discuss its content and pledge renewed effort and attention to propaganda work. The importance of this campaign was underscored by the participation of party secretaries Furtseva and Pospelov at two of these regional meetings. In addition to the many conferences and press articles devoted to the need to

step up ideological indoctrination, there has been a sharp increase in the regime's attack on various "undesirable" elements--speculators and devotees of Western fads and luxurious living. So-called "parasites"--individuals who do not engage in socially useful work--have recently been the object of special attack.

No widespread shake-up of the leaders of propaganda organizations appears to have followed in the wake of the January decree. The chief editors of two historical journals, however, were removed, and in one case, that of Voprosy Istorii, the change was clearly tied to the failure of the editorial board to bring its work into line with the demands of the January decree.

The principal objectives behind the regime's concern with improving propaganda work are to mobilize maximum public support and effort for the fulfillment of the Seven-Year Plan and to ensure the ideological purity of Soviet citizens during what the regime believes will be a protracted period of peaceful economic and ideological competition with the West. In this campaign the regime does not appear to have come up with any real innovations in the organization of content of its propaganda. Rather, it is relying on constant exhortation and well-publicized conferences to keep the subject before party members.

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SINO-SOVIET AGRICULTURAL SITUATION

Unfavorable weather has reduced crop prospects throughout much of the Sino-Soviet bloc this year. Grain harvest prospects in the USSR and the Euro-

pean satellites now appear to be about average, but the next few weeks will be crucial for determining the final harvests of many crops.

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In the European USSR, with the exception of the North Caucasus and the Volga, weather has been generally unfavorable for small-grain crops. Extensive weather damage to winter crops in much of the North Caucasus and Ukraine required reseedling of 20,000,000 acres this spring. There is a good stand of grain in the New Lands area, which produces nearly one quarter of the USSR's total, but the harvesters are racing against the onset of frost, cold rains, and wind. Frequent rains and strong winds during August have lodged grain, and unusually cold weather has retarded ripening in various areas from the Urals eastward.

At a Kazakh agricultural conference in July, Academician T. D. Lysenko warned that late harvesting--after 10-15 September--in the New Lands would result in huge losses and deterioration in quality. This occurred in 1959, and evidently harvesting is even later this year. By 5 September about one third of the grain acreage in northern Kazakhstan had been cut but only 11 percent gathered. Reports indicate that the situation is no better in Siberia.

In the northern satellites, droughts last fall and this spring cut down on planting and retarded the development of winter grains. Favorable weather in May and June was followed by prolonged rains in late July and August which lodged grain and delayed harvesting by as much as three weeks. These rains caused harvesting losses and reduced the quality of wheat and rye, but were beneficial for the development of hay, late vegetables, and root crops.

A decline in bread grain production is expected in East Germany, Poland, Czechoslovakia, and Hungary. Coarse grain pro-

duction, especially corn, will be lower in Albania, Hungary, and Rumania. Production of potatoes in the European satellites is expected to equal last year's poor level and sugar beets will definitely exceed it, but in both cases the quality will be lower. Fruit and vegetable production is somewhat better than in 1959 in the northern and worse in the southern satellites.

Grain production in the southern satellites may vary from considerably below the 1959 figure in Albania to better than 1959 in Bulgaria. The corn, root, and vegetable crops were damaged by dry, cool weather during July and August so that yields will be below 1959. Unfavorable weather has contributed to lower yields in Hungary, and the organizational difficulties associated with the collectivization drives of 1959 and 1960 reduced the acreage of grain and other crops. The sharpest reduction in 1960 crop production will be in Albania, where rainfall has been below normal since early spring.

The northern satellites and Hungary will need to increase their imports of wheat. Because of the expected increase in fodder crops, the outlook for livestock production in the northern satellites and Bulgaria is somewhat brighter than for the same time last year; nevertheless, meat production will not be sufficient to meet demand.

The grain harvest in China may be even smaller than the poor crop last year. The drought in China may have been slightly less severe this year than last, although the month of August this year was drier than a year ago. Planting of early rice was delayed, and the later harvesting period also delayed the

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planting of the late rice crop. Thus, an early frost would probably cause substantial losses in yield. Because this is the second successive drought year, the supply of water for irrigation has become a serious problem in areas which depend on small and medium reservoirs or on shallow wells.

As is usual each year, typhoon damage has been reported in various provinces along the eastern coast of China. In many cases, however, the beneficial effects of the accompanying rains in adjacent areas more

than compensated for the crop damage.

The crop outlook for North Korea is quite favorable, and the grain harvest this year will probably exceed the 1959 crop, which was about average. Weather conditions in North Vietnam have not been favorable for rice production. The spring crop was considerably smaller than last year, and the total rice crop is unlikely to equal the 1959 harvest, which was the best yet. (Prepared by ORR)

25X1

STATUS OF URBAN COMMUNES IN CHINA

Since March, when the Chinese Communist leaders announced that they were resuming the formation of urban communes in a "big way," they appear to have disrupted much of their urban society without obtaining commensurate economic gains. The establishment of communes has, according to Peiping, progressed at a "steady pace" over the past six months, and more than half the nation's urban dwellers now are officially enrolled.

The regime has thus far avoided the headlong rush of 1958, which saw 90 percent of the rural population thrust into communes in little more than a month, but it may be preparing for a final big push to enroll remaining city dwellers

in time for national day celebrations on 1 October. Peiping might find this an attractive proposition, since it could be accomplished largely by an administrative declaration and would give speakers at the celebrations something to extol in a year generally lacking in outstanding achievements.

Despite the comparative caution with which the regime has moved, the establishment of urban communes has been accompanied by considerable confusion, social dislocation, and murmurs of opposition. Foreign visitors who have been shown model urban communes have not been impressed. The organization of these showpieces has struck them as extremely sketchy, officials have appeared muddled,

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the housewife-turned-worker apathetic, and the system unproductive.

establishment--usually a property taken over for the purpose.

Some of these activities are economically useful and represent a restoration of traditional urban handicrafts which were choked off by the Chinese Communists, especially during the days of the "giant leap" in 1958. While the housewife-turned-worker does earn a small stipend for these marginal activities, her wages seem frequently to be largely exhausted in paying for the communal services she requires because of her absence from home.

communes there were disliked and resented, and rumors from Shanghai tell of a poster campaign against them. Community mess halls have been unpopular and poorly attended.

In general, the urban communes have been carefully kept separate from the activities of state-owned factories and large municipal utilities. There have been instances, however, where communes have had the temerity to compete with state enterprises for scarce raw materials, forcing Peiping to remind the communes of the overriding priority of state plans.

The primary economic goal of the urban commune is still to "collectivize" normal household tasks and thus "liberate" the housewife to work at whatever tasks can be found--weaving mats, sewing buttonholes, darning clothes, making noodles, collecting scrap, pulling carts. She may work in her own home, a courtyard, or in a commune

The regime has found employment for only some 40 percent of urban women and will encounter great difficulty in finding economically worthwhile employment for the other 60 percent. Thus, while almost all urban dwellers may nominally be enrolled in a commune by 1 October, the resulting change for many households is likely to be slight. Neither the employment of housewives nor the use of community services will become universal in China's cities in the near future, because employment opportunities do not exist and because housewives without paying jobs will neither need nor be able to afford commune services. (Prepared by ORR)

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NORTH KOREAN - JAPANESE REPATRIATION TALKS COLLAPSE

North Korean Red Cross representatives have broken off talks on the extension of the repatriation agreement, due to expire on 12 November, under which more than 38,000 of the 600,000 Koreans in Japan have returned to North Korea. It has been estimated that as many

as 70,000 more Koreans would like to return. After terming unacceptable the latest Japanese proposal to extend the agreement only six months, the chief Communist negotiator indicated that his group would leave for home on 23 September.

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Despite its present adamancy, Pyongyang will be loath to allow the program to lapse entirely. North Korea needs the additional manpower afforded by repatriation from Japan and enjoys a propaganda bonus through the continuing flow of Koreans from a non-Communist country. While the North Korean representatives may refrain from new overtures before leaving Niigata, Pyongyang will be responsive to opportunities for a compromise. An important consideration for Pyongyang is the prospect that resumption of the repatriation talks will serve to complicate Japan's relations with South Korea, which has denounced the present agreement and called for its early termination.

The North Koreans insisted that the repatriation accord be extended for one year without amendment. The Japanese, anxious to improve relations with Seoul by completing repatriation as soon as possible, have sought a deadline for registrations and have attempted to accelerate departures.

The North Koreans have proved to be stubborn negotiators. Months of hard bargaining preceded the sailing of the first repatriation ship in December 1959, and even after agreement was reached, the Communists objected to certain Japanese administrative procedures in processing repatriates. The deadlock at that time was resolved by Japan's willingness to modify its position. Last month the Japanese gave in again--this time to Pyongyang's insistence that North Korean newsmen be allowed to attend the recent negotiations in

Niigata, and the Communists may anticipate a similar flexibility on Tokyo's part this time.

The Japanese Foreign Ministry's refusal to accept the North Korean demand for a straight one-year extension of the agreement originally met strong opposition in the Japanese cabinet. A majority of the cabinet was willing to agree to a one-year extension because of the program's popular support at home, its orderly operation thus far, the large number of Koreans who still desire to return, and the need to prevent the Socialists from making any limitation of the program a popular issue in the November elections.

While Tokyo would probably be agreeable to a face-saving compromise, the Foreign Ministry says it will "stand firm." Japanese officials probably feel that a breakdown in negotiations at this time would improve the atmosphere for the Japanese - South Korean talks scheduled for next month, and they may also hope that South Korean acceptance of repatriates from Japan would reduce the number of applicants wanting to return to North Korea.

Leaders in Tokyo, conscious of the election implications, appear hopeful that they can place the blame for the breakdown of the talks on North Korea. The final Japanese offer--a six-month extension with a possible second half-year renewal, coupled with discussion of means to speed up the program--was designed in part to forestall leftist criticism and yet still make a show of modifying repatriation out of deference to the new South Korean Government.

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EARLY CAMPAIGNING FOR JAPANESE ELECTION

Japanese Prime Minister Ikeda has improved his public image and increased the popularity of the Liberal-Democratic party (LDP) during early campaigning for the general election expected in November. Ikeda concluded a 15-day speaking tour of nine cities on 22 September during which he impressed audiences with his concern for the



IKEDA

people, his expertness as an economist, and his direct approach to controversial issues.

In an effort to avoid the charges of arrogance directed at his predecessor, Nobusuke Kishi, Ikeda has emphasized his approval of "administration by negotiation." On 19 September he welcomed a suggestion from Suehiro Nishio, chairman of the moderate Democratic Socialist party (DSP), for a "three-party summit conference" to discuss measures for breaking the deadlock in relations with Communist China.

The LDP platform extols Japan's economic growth rate as the "highest in the world" and promises a continued expansion aimed at doubling the national income in ten years. The immediate goal is a 9-percent growth rate for the next three years, which would increase per capita income 25 percent to

about \$410 annually. This would be stimulated partly by public construction projects and credit facilities for modernization of small and medium-size businesses.

The LDP promises of tax reductions in 1961 to benefit people with low and medium incomes, a liberalized pension system, and increased health insurance benefits have undercut the usual appeal of the Socialist parties on welfare issues. DSP leaders have said they might cooperate with the LDP on social security measures, and a DSP official in Fukuoka conceded privately after hearing Ikeda speak that the LDP has hit on an "unbeatable" political approach.

The platform of the Japanese Socialist party (JSP) also promises economic growth but appears less realistic and gives the impression of a "me too" approach.

The LDP foreign policy plank reaffirms Japanese cooperation with the free world, rejects "idealistic neutralism," and makes cooperation with the UN the foundation of Japan's foreign relations. The JSP has attacked the LDP program for its "complete reliance" on the United States. JSP leaders, however, may be modifying their anti-US position to one of friendship for both the Soviet and the Western bloc in view of the lack of public response to this issue displayed in three gubernatorial elections.

Two issues the Socialists may be able to exploit are the possible lapse on 12 November of an agreement for repatriation of Koreans to North Korea and a desire among Japanese businessmen to establish official trade relations with Communist China.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****22 September 1960****GROWING THREATS TO SOUTH VIETNAM'S REGIME**

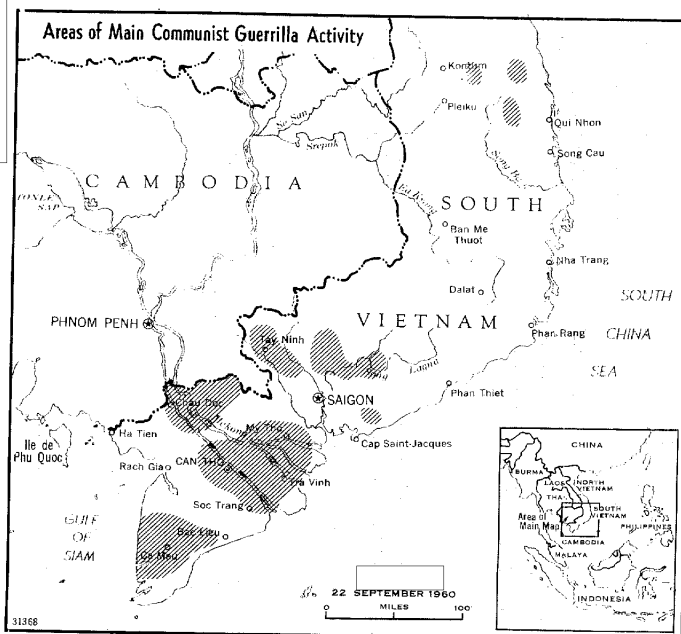
The Diem government faces a growing danger from the continued Communist guerrilla activity in the countryside, widespread peasant dissatisfaction, and restiveness among articulate groups in Saigon. After a slackening with the advent of the rainy season, the Communists again stepped up attacks in July, frequently operating in larger bands than previously. Possibly because of Vietnamese Army pressures in the delta provinces of the south and west, Communist activity increased north and east of Saigon. Main roads outside Saigon are insecure.

in the face of peasant resistance, has announced a cutback in the construction of "agro-villes"--village regroupments designed to provide greater economic and physical security.

There is a possibility of demonstrations in Saigon against Diem's authoritarian rule. In August, certain non-Communist leaders in labor, refugee, and student circles reportedly were considering public protests; at the same time, a number of suspected agitators were arrested. Communist infiltrators probably would attempt to turn any demonstrations into riots.

it is uncertain whether army troops would remain loyal to Diem if ordered to suppress non-Communist actions with force.

President Diem continues to oppose the Communist threat primarily through military measures. In addition to intensified antiguerrilla training for the army, he hopes to centralize command and intelligence functions and to strengthen rural militias. At the same time, he has taken some steps to win greater popular allegiance. He has visited the countryside and,

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There has been renewed emphasis from the Communist regime in North Vietnam on the "struggle against the US-Diem clique" in the South. Speakers at the regime's party congress in early September indicated that North Vietnam would support non-Communist opponents of Diem looking toward the formation of a coalition government in Saigon.

BELGIUM PLANS INDEPENDENCE FOR RUANDA-URUNDI IN 18 MONTHS

Belgium has announced a program of rapid political evolution for Ruanda-Urundi, which it administers as a UN trust territory. Under this program, the governmental structures which are being created in both Ruanda and Urundi will be broadened after the elections in the first part of 1961, with the result that each state will receive substantial internal autonomy. Full independence for the two is scheduled for the first half of 1962, with a target date of 1 April. After attaining independence, the two states will decide whether to be separate or to federate.

Belgium professes to hope that by introducing natives into all levels of government, it can avoid the mistakes made in the Congo. However, the low level of political development, the primitive nature of the territory's economy, and continuing tribal tension will probably lead to trouble, in which the UN is likely to become progressively more deeply involved as a re-

sult of its trusteeship responsibility.

Both Ruanda and Urundi have traditionally been ruled by the Batutsi (Watutsi) tribal group. Recently, however, the numerically predominant Bahutu, probably with Belgian support, have begun to contest Tutsi rule. Tensions between the two groups have resulted in a year-long series of riots, raids, and arson in the northern state of Ruanda, where the ethnic divisions are sharpest and the Tutsi are determined to retain control. Order is being maintained by three battalions of Belgian paratroops; however, the Belgian forces are scheduled to leave the territory when it receives independence, and it is doubtful that the indigenous security force now being trained will be willing or able to intervene effectively in future outbreaks.

The problem of Ruanda-Urundi's political backwardness can probably be lessened to some extent

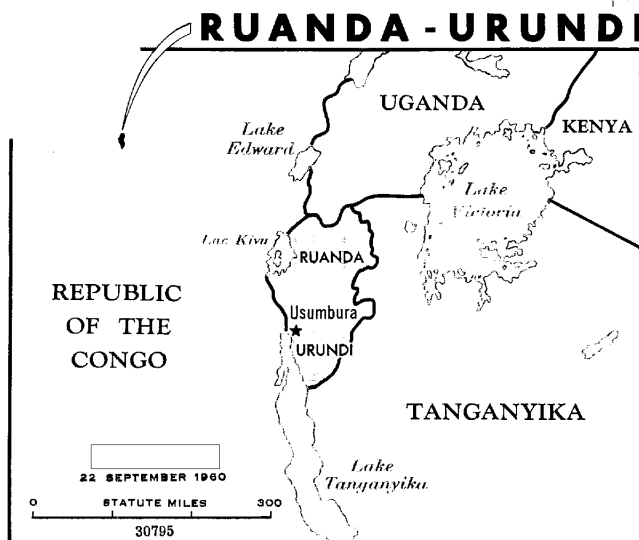
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by simplifying the structure of government, although foreign advisers will still be essential. The territory's economy, however, promises to present increasing difficulties.

Ruanda-Urundi is already overcrowded, and its annual rate of population growth is one of the highest in the world. The only cash crop is coffee, and most of the inhabitants derive their livelihood from a back-

ward system of cattle herding. The economy is dependent on a heavy Belgian subsidy, and faces new strains as a result of its separation from the economic structure of the Congo, with which it was previously integrated. Belgium will probably be reluctant to provide the independent state or states with the present level of assistance, and the result may be greater pressure on other nations and on the UN to make up the difference.

**SOMALI REPUBLIC TO ESTABLISH TIES WITH COMMUNIST BLOC**

The newly independent Somali Republic decided on 10 September to accede to requests by six Communist countries--the USSR, Czechoslovakia, Bulgaria, Hungary, Yugoslavia, and Albania--to establish diplomatic missions in Mogadiscio. While this action accords with the new republic's professed policy of friendship for all countries but no close alignment with any ideological bloc, Prime Minister Abdirasid--who is considered pro-Western and believed to be a devout Moslem opposed to any

expansion of Communist influence in Africa--had been expected to delay establishing formal relations with the Communist world.

The decision to accept the Soviet bloc missions may have been influenced by the country's precarious financial position and by Mogadiscio's desire to be in a position to obtain bloc aid should Western sources fail. An official in the Ministry of Foreign Affairs commented to the American ambassador recently that the Somali Republic in that event would not

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refuse assistance from the bloc if the West failed to meet the country's needs. Subsequently, on 18 September, the prime minister told the ambassador that his government plans to seek \$150,000,000 in economic aid over the next five years from the United States, Britain, and Italy.

The foreign affairs official added that requests to establish missions by both Communist and Nationalist China had been turned down "for the time being." He implied, however, that Peiping's request might be reconsidered later, remarking that it was difficult to ignore a nation of 650,000,000 people. Although not invited to the Somali independence ceremonies in July, Peiping lost little time in establishing contact with the new republic; a four-man Chinese Communist Moslem delegation visited the country for ten days in August in an apparent attempt to reassure the Somalis that Communism is not incompatible with Islam.

While the delegation saw only President Aden in official circles, it reportedly made numerous contacts elsewhere in the country, offering scholar-

ships in secondary, technical, and military schools and seeking a Somali-language instructor for a new institute in Peiping. Before leaving for Cairo, the head of the delegation reportedly addressed an audience in Mogadiscio's principal mosque, stating that Peiping will support the Somalis in their dispute with Ethiopia.

The USSR's first attempt, in March 1958, to set up permanent representatives in Mogadiscio was rebuffed by the Italian authorities, and since then Moscow has repeatedly indicated interest in establishing an official presence there. The Soviet delegation to the Somali independence celebration--augmented by three motion picture photographers, correspondents from Izvestia and Pravda, and a TASS representative--ostentatiously distributed expensive gifts to numerous Somali officials, interviewed a large number of scholarship applicants, and pressed for an immediate exchange of diplomatic missions. A Somali student at Moscow University, who returned to Mogadiscio for the celebration, told an American Embassy official that approximately 20 Somalis were studying in Moscow.

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FRENCH ATTACKS ON DE GAULLE'S ALGERIAN POLICY

De Gaulle's policy of self-determination for Algeria, which he maintained unchanged in his 5 September press conference, is coming under increasing attack from both rightist and non-Communist leftist groups in France. As the stalemate in Algeria continues, recent public criticism by General Raoul

Salan, former commander in chief in Algeria, may spark new unrest in the army and provide a rallying point for rightist efforts to halt the growing public acceptance of De Gaulle's concept of self-determination as shown during his tours of the provinces.

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Salan, who played a leading role in the May 1958 coup, which brought De Gaulle to power, asserted in a 14 September statement from Algiers that the 1958



SALAN

referendum "definitely established Algeria as French territory" and that "nobody has the right to decide on its abandonment." Minister of the Armies Messmer summoned him to Paris on 19 September to explain his action.

From late 1958 until his transfer to reserve status last spring, Salan held largely honorific assignments in metropolitan France. Paris had reportedly hesitated last spring before permitting him to return to Algeria. He has ostensibly occupied himself as head of the French Union Veterans' Associa-

tion but is said actually to be working closely with the settler-organized Front for French Algeria formed last spring. In France the fascist-inclined National Front for French Algeria, a different group, has already endorsed his statement. These rightists are increasingly aware that they are helpless without army support and that the trend of public opinion in France is against them.

Salan is said to have some support from the army as well as from settler extremists for a plan to set up a "legitimate" French government in Algeria if De Gaulle makes any definite move toward a separate Algerian state. Salan's statement of open opposition may therefore have been a trial balloon to test army reaction.

Left-of-center criticism of De Gaulle's failure to end the fight in Algeria is also becoming more explicit. The Socialist party moved into open opposition to his Algerian policy in early September with a call for immediate peace negotiations. Mendes-France's Unified Socialist party has charged that De Gaulle does not really intend to permit self-determination, and a group of 150 left-wing intellectuals has issued a manifesto opposing the "colonial" aspect of the war.

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THE GENEVA TRADE TALKS

The meetings of the contracting parties to the General Agreement on Tariffs and Trade (GATT) which opened in Geneva earlier this month will continue well into 1961 and are likely

to be the most significant of GATT's 12-year history. Theoretically, the trade talks provided another opportunity for a reduction of tariffs by the free world's major trading

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nations, but many fear the results will be so meager that GATT--as the source of ground rules for free, multilateral, nondiscriminatory trade--will be compromised.

The Geneva negotiations will be in two stages, the first growing out of the establishment of the European Common Market and the projected institution of its common external tariff. Under GATT rules, the Common Market countries must offer "compensation" for those tariff increases they effect in adjusting to the common external tariff rates--insofar as these are not balanced by tariff reductions. The second stage will be general tariff negotiations--the fifth round under GATT--in which "principal suppliers" will attempt to secure tariff concessions on the thousands of products in international trade--concessions which are then generalized on a most-favored-nation basis.

The prospect for extensive tariff reductions hinges largely on this second stage. The United States is authorized by its 1958 trade agreement act to cut individual tariffs by up to 20 percent, the Common Market decided last May to offer a 20-percent reduction in its common external tariffs, and the European Free Trade Association (EFTA) or Outer Seven has agreed to extend to the Common Market on a reciprocal basis the 20-percent internal tariff reduction the EFTA effected last June. While considerable negotiating

leeway thus exists, some observers fear that GATT's cumbersome product-by-product approach, the reciprocity requirement, and protectionist sentiment will keep actual tariff reductions to a minimum.

With the emergence in the past few years of regional economic groupings such as the Common Market, EFTA, and the Latin American Free Trade Area, countries unwilling or unable to join them must increasingly look to GATT as a mechanism for effecting tariff reductions of general benefit. If GATT cannot in practice produce results, then its primacy in the field of international trade will be difficult to maintain, and pressure for broader, more discriminatory regional arrangements will no doubt increase.

This danger has long been implicit in the various proposals which have been advanced for amalgamating EFTA and the Common Market, and it is one of the major problems confronting the projected Organization for Economic Cooperation and Development (OECD) now being negotiated by Western Europe, the United States, and Canada. Although the OECD is intended to encourage its participants' economic growth and their aid to underdeveloped countries, strong pressures have developed to give the OECD trade functions which might in effect deprive GATT of jurisdiction over the trading practices of the entire North Atlantic area.

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PROSPECTS OF THE NEW PANAMANIAN ADMINISTRATION

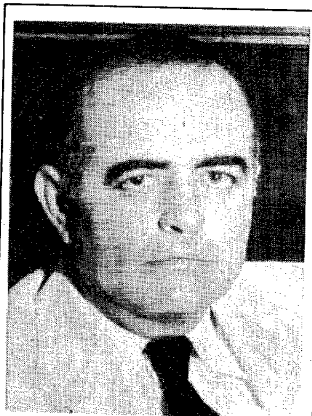
Roberto Chiari, who becomes president of Panama 1 October, is subject to conflicting pressures which may limit his control of his own administration and undermine his program for alleviating Panama's economic

stagnation and the social unrest which is being expressed openly to an increasing degree. Elected in an upset victory last May by a tenuous coalition of small parties, Chiari now faces demands for diverse official

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CHIARI



HARMODIO ARIAS



VALLARINO

appointments and policies from his ambitious backers, who include the two vice presidents - elect.

Chiari, a member of the oligarchy, which resists any compromise in its domination of Panama, is deeply indebted to the intensely nationalistic former president, Harmodio Arias, who reportedly will head the influential foreign policy advisory council. Arias' powerful press, radio, and financial interests are often used for his family's political purposes.

Another influence is Panama's only armed force, the National Guard, commanded by Bolivar Vallarino. There is great popular and legislative support for Vallarino's ouster and reduction of the guard's power, and Chiari has indicated that he would like to cooperate. However, Chiari may conclude--like most Panamanian presidents--that he needs strong support to keep the upper hand politically--particularly since he lacks a dependable majority in the National Assembly.

Officials of the outgoing De la Guardia government are leaving a fiscal situation described by the US Embassy as an "impossible morass" after having reportedly squeezed out all the personal financial benefits

possible in their last months in office. Chiari told US Ambassador Farland on 16 September that he would need a loan of \$10,000,000 by the end of the year for maintenance of schools, hospitals, and the police. Further funds would be required for even a modest beginning on Chiari's announced program of strengthening Panama's economy and reducing its critical unemployment through agrarian reform and assistance to small industry.

The raising of the Panamanian flag in the Canal Zone on 21 September will contribute to the stability of the Chiari regime by reducing chances that the opposition will be able to exploit that issue against the new government on 3 November--Panamanian Independence Day. However, Harmodio Arias' newspaper has called the solution of the flag issue only "the first step" in a more cordial entente with the United States. His son Gilberto, who is almost certain to be the next minister of finance, has said he will seek an increase in canal tolls--which have not been raised since the canal opened in 1914--or at least in Panama's share of them, as a businesslike solution to his country's economic ills.

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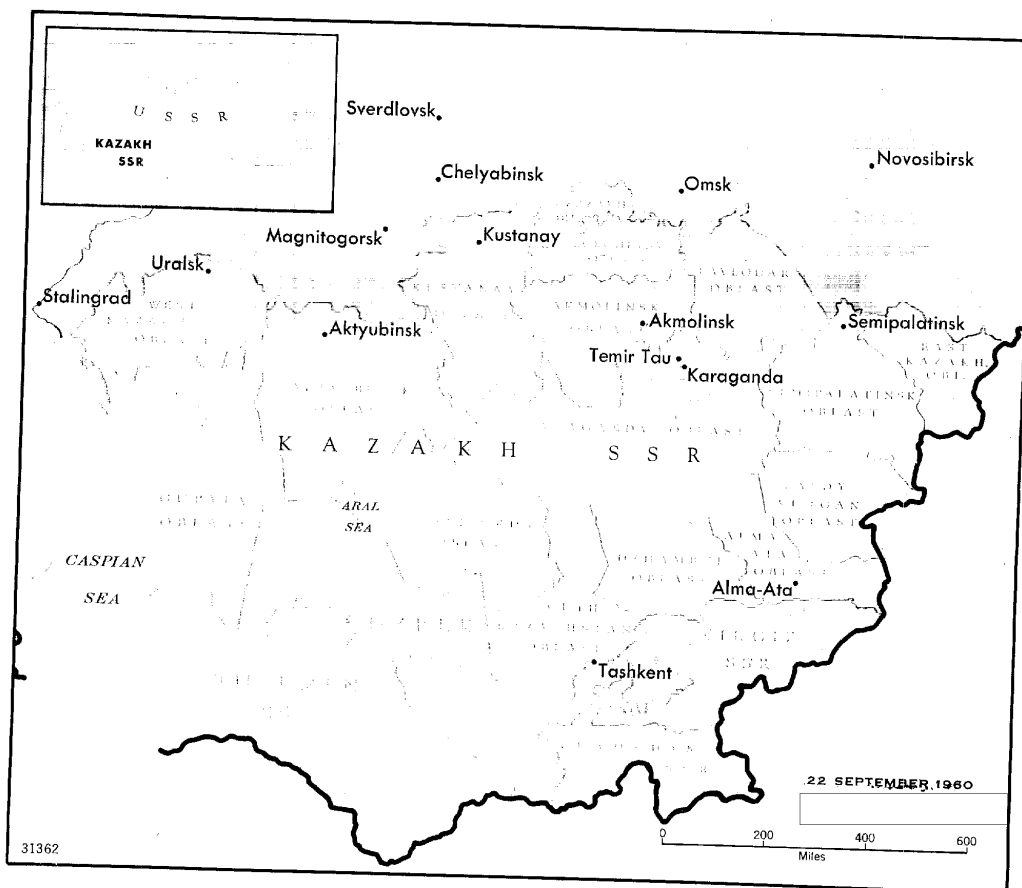
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In recent weeks the Kremlin has poured men, money, and machinery into Soviet Kazakhstan in an attempt to avoid a repetition of the 1959 agricultural fiasco which, along with the riots at Temir Tau, cost former presidium member Nikolay Belyayev his job as Kazakh party boss. While these emergency measures might have some success, Belyayev's successors in the republic administration have made little headway in solving the basic political, economic, and social problems which make Kazakhstan a chronic trouble spot for the regime.

Background

The vast Kazakh steppes, rich in natural resources, comprise the second largest republic in the USSR. The republic's northern regions are the principal site of Khrushchev's virgin lands program and also contain the largest iron ore deposits in the Soviet Union. Located in the vicinity of the Karaganda coal fields, the iron deposits lie within 300 miles of the great steel centers of Magnitogorsk and Chelyabinsk in the Urals. The republic also supplies a major portion of Soviet lead, copper, and zinc.



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Kazakhstan has an inhospitable and capricious climate; it is sparsely populated, [REDACTED]

Forced-draft economic expansion in Kazakhstan got under way in 1953, shortly after the adoption of Khrushchev's proposal to farm virgin and reclaimed lands, and went into high gear two years later with the decision to create a heavy industrial base centered in the Karaganda coal and iron fields. These moves were accompanied by calls for volunteers to settle in the "New Lands," and since 1953 there has been a steadily increasing flow of Slavs, primarily Russians and Ukrainians, into the area. As a result, non-natives now comprise approximately 70 percent of the republic's total population.

Moscow apparently believes native politicians lack the qualities of leadership it demands for the administration of an area whose rapid development is vital to the success of the regime's economic programs. Thus, immigration into the area has been characterized from the outset by the replacement of native Kazakh party and government officials by outsiders.

This trend began in early 1954 with the release of party chief Zhumbay Shayakhmetov, whom Khrushchev described as "probably honest, but too weak" to lead a great republic, and has since extended into all levels of the party and government. As the natives have found themselves forced into progressively less important positions, their resentment toward the Slavs has increased. The extensive personnel changes have helped to foster local "nationalism," which is manifested chiefly in foot-dragging, grumbling, and occasional outbursts of enthusiasm for the ancient Kazakh language and traditions.

Particularly at the top administrative levels, the personnel turnovers also reflect Moscow's continuing irritation with officials whose performance does not measure up, and service in Kazakhstan can make or break a party career. The party first secretaryship has changed hands five times since Shayakhmetov's ouster six years ago. Of his successors, only Leonid Brezhnev, now head of the Soviet state, has gone from Kazakhstan into the top national hierarchy. Panteleymon Ponomarenko, who took the post in 1954 only to be relieved by I. D. Yakovlev a year later, is now ambassador to The Hague. Yakovlev is now an oblast party chief in the Russian Republic (RSFSR).

Like Shayakhmetov, Belyayev, who was first secretary from 1957 to 1960, has been consigned to political oblivion. The present first secretary is Dinmukhamed Kunayev, who was republic premier in Belyayev's administration. He is the first native Kazakh to hold the job since 1954, and his appointment may have been intended in part as a sop to Kazakh nationalism.

Living Conditions and Labor

A large turnover in the labor force and poor day-to-day administration of the economy have been problems in Kazakhstan since at least 1955. The labor turnover seems in large part a result of the growth in population. When the influx of workers from outside the republic first began, living facilities were practically nonexistent in the New Lands area and at the industrial building sites; the first groups of young "volunteers" were warned to expect many initial hardships. Over the years, however, there has been little improvement, and the construction of living quarters, clubs, canteens, and the like has failed to keep pace with the increase in population.

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As a result, those facilities which have been constructed provide only the basic necessities of life and continue to be severely overtaxed. Many workers are still spending the severe Kazakh winters in tents, in poorly constructed dormitories, and sometimes in trucks. Consumer goods have always been in short supply. Items like tooth powder, soap, ink, shoe polish, and "many other needed goods"--sometimes including winter clothing--are said not to have been available in the New Lands "for years." The construction of cultural facilities has also lagged, and workers often have little save vodka on which to spend their earnings.

Party and government officials at all levels have been forced to concentrate on bringing agricultural and industrial production up to the levels demanded by Moscow, and consequently they have evinced little concern for meeting the needs of the labor force. Many lower level bureaucrats apparently have been unable to resist the temptations presented by the greatly increased availability of public funds, and the Kazakh press has cited numerous examples of embezzlement.

These conditions almost immediately began to cause a turnover in the labor force. Disgruntled workers, with no possibilities of an improved life in the foreseeable future, simply began to pull up stakes and go home. Such stopgap measures as a drive in 1959 to provide wives for the settlers--some 25,000 young women have been sent to Kazakhstan in answer to a plea for wives--failed to halt the exodus, which in some areas had risen as high as 50 percent. Disillusioned women soon began to leave when they found themselves living in conditions no better, and in some cases worse, than

those of the men. As workers began to leave the republic, their places were taken by new and larger drafts of workers imported from the Slavic areas of the USSR.

Crisis of 1959

Despite the growing seriousness of the myriad problems of economic expansion, considerable progress has been made in Kazakhstan. Bumper crops were harvested in 1956 and 1958, and from 1955 to 1958 there was a 50-percent increase in the volume of industrial production. The Seven-Year Plan (1959-65) calls for a further increase of 170 percent over 1958.

However, the accumulated ills of breakneck development--poor living conditions, bad food, short supply, low morale, official mismanagement and neglect, and the weather--came to a head in the fall of 1959.

The magnitude of the industrial workers' plight was highlighted in early October when rioting broke out at Temir Tau, site of the huge Karaganda metallurgical combine which reportedly will contain the largest blast furnace in the world. During the year the number of workers at Temir Tau had increased by some 50 percent, making even worse living conditions which were previously described as "unbearable." Further, workers were forced to relinquish the best available accommodations to imported contract laborers from the satellites--principally Bulgaria and Rumania--whose wages considerably exceeded those of their Soviet counterparts.

On 5 October some of the Russian workers went on a protest strike; they were soon joined by thousands of others, and the incident rapidly developed into a full-blown, two-day riot. Local officials and

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police were unable to control the situation, and troops had to be brought in. An eye-witness has stated that in the resultant fighting, some one hundred rioters were killed and almost a thousand wounded.

Later in the month, almost the entire party and industrial leadership of the Karaganda region was dismissed in a shake-up supervised by a special inspector of the party central committee sent out from Moscow. On 23 October, Belyayev told a Kazakh party plenum that the "lagging construction" at Temir Tau resulted from the "intolerable indifference of local officials to the vital needs of the workers."

The Temir Tau riot may not have been the only civil disturbance in the area. Rumors of other strikes in the vicinity of Karaganda circulated in the late summer, and in September the party journal *Kommunist* contained a slashing attack on Kazakh "bourgeois nationalism." Immediately after the Temir Tau riots, the republic's state security chief was replaced by Konstantin Lunev, first deputy chairman of the all-union Committee for State Security (KGB). The Kazakh internal affairs minister, who is nominal head of the civil police, was removed from office a month later.

The same fall, there was a crisis in Kazakh agriculture. The problem each year is to bring in the crop before the sudden onset of the Central Asian winter; and in 1959, efforts to beat the frost failed.

The full extent of the debacle was revealed by Khrushchev at the December plenary session of the party central committee and by Kunayev at a Kazakh party plenum a month later. Almost 4,000,000 acres of land had not been harvested, and the republic consequently

fell nearly 1,500,000 tons short in its grain deliveries to the state; this was a 12-percent underfulfillment of the state plan. Khrushchev laid the blame squarely on Belyayev and Kunayev, then the republic premier. If Belyayev had had the courage to ask for help, Khrushchev claimed, sufficient men and machinery could have been sent from the Ukraine to save the harvest.

Speaking at a republic conclave immediately after he succeeded Belyayev as Kazakh party first secretary, Kunayev blamed the crop failure on the fact that during the preceding two years, 141,000 agricultural technicians had walked off the job in disgust over the poor living conditions in the New Lands area.

Remedial Action and Prospects

Formal responsibility for the success or failure of this year's harvest lies on Kunayev, although in reality he seems little more than a figurehead. Four of the republic's six central committee secretaries are Russians, and actual political power probably rests in the hands of two of these. One is Second Secretary Nikolay Rodionov, former party chief in Leningrad and an organizational specialist familiar with modern agricultural methods. The other, Tikhon Sokolov, once head of the organizational and collective farms directorate of the USSR Ministry of Agriculture, has been used as a trouble shooter in various agricultural regions of the Russian Republic. He was party chief in Perm Oblast at the time of his appointment to Kazakhstan.

Since Belyayev's ouster, Moscow has paid close attention to developments in Kazakhstan and made a series of moves obviously designed to prevent a recurrence of last year's events.

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While these measures seem to show Khrushchev's awareness that the Kazakh harvest will reflect on him as chief architect of the virgin lands program, they nevertheless follow the time-honored penchant for seeking to cure unsatisfactory situations by making personnel changes and reorganizing administrative functions.

Beginning in January, the Kremlin decreed the formation of three new organizations to cope with Kazakhstan's problems. A republic Ministry of State Farms was established "at the suggestion of N. S. Khrushchev." Located at Akmolinsk in the heart of the virgin lands area, the new ministry is headed by veteran agricultural specialist A. I. Kozlov. Shortly afterward, a special "Bureau of the Kazakh Party Central Committee for the Northern Regions" was set up with Sokolov at its helm. Further, a republic Ministry of Water Resources was established in March to meet the "greatly increased demand for water" in the republic.

These moves have been accompanied by personnel changes at the oblast level of administration as well, and thus far Kunayev has transferred or dismissed 12 out of a total of approximately 75 oblast party secretaries.

There is some evidence that these steps have been considerably less efficacious than Moscow might have hoped. Throughout this year, for example, there have been continuing indications that little if any improvement has been made in living conditions. The influx of 150,000 temporary workers might have offset the loss of agricultural technicians of previous years, but it also strains

even further the already overburdened facilities and has a negative effect on the morale of the permanent settlers.

In early August, the all-union youth journal Komsomolskaya Pravda complained that the USSR Ministry of Agriculture and the Kazakh State Farms Ministry "spend two, three, four times more on the transfer of temporary and seasonal workers, but do not dare spend anything for really keeping personnel here."

Despite Khrushchev's confident boast of a bumper harvest, the Kazakh press has been considerably more cautious; throughout the summer it reflected a clear case of jitters which grew worse as harvest time approached. In late June, for example, the state of combine repair was called "especially alarming." This theme was echoed in July, when the press claimed that "many thousands" of agricultural machines were still unrepaired and that spare parts were still in short supply. It was further stated that the party organizations of the northern regions were showing "very little" concern over preparations for the harvest.

There are some hints that trouble is already brewing. On 5 September, the first secretary of the Semipalatinsk Oblast party committee was fired for failing to fulfill "socialist pledges" in agriculture undertaken by the collective and state farms under his jurisdiction. Four days later, an editorial in the Kazakh party journal stated flatly, "The pace of grain harvesting in the republic is not satisfactory." Calling this the result of poor organizational work, the paper warned that some leaders were making the same mistakes as in 1959.

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IMPACT OF POSSIBLE ECONOMIC SANCTIONS OVER BERLIN DISPUTE

If present Berlin tensions should cause Bonn to cut off interzonal trade, the production of important East German industries would be seriously hampered for at least several months until alternative sources of supplies--particularly iron and steel and some types of machinery--could be found. West Germany would also have temporary difficulties until it found other sources of goods now obtained from East Germany. West Berlin, whose trade is nearly all with or through West Germany, would suffer grave damage if its supply lines were cut or seriously harassed by the East Germans.

Effect on East Germany

Although interzonal trade provides only 11 percent of total East German imports, this apparently slight import trade is made up in large part of goods in short supply in the Soviet bloc. West Germany supplies one third again the amount of machinery and equipment and almost the same amount of chemicals as East Germany imports from the USSR. West German supplies of iron and steel products, perhaps of more significance, are about one third of the amount provided by the USSR.

Most of the goods imported from West Germany could be obtained elsewhere in the free world, but a shift in sources would have serious short-term effects on East German industry. It would involve delays in procurement and serious problems in foreign exchange, mainly as a result of East Germany's inability to supply sufficient amounts of goods salable in free-world markets. Interzonal trade is generally kept in balance, but under the new agreement signed last August the East

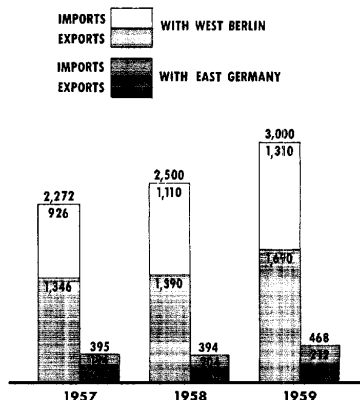
Germans agreed for the first time to settle any imbalance in West German currency.

In addition, diversion of transit traffic normally using West German facilities would involve circuitous and costly rerouting through Czechoslovakia, Austria, and Switzerland or the use of sea transport. Loss of access to the Kiel Canal would seriously disturb East Germany's sea-borne trade. East Germany--a heavy user of free-world ships, particularly of West German ownership--would face a serious problem of finding alternative shipping capacity if West German vessels should cease to be available.

Effect on West Germany

The bulk of West Germany's imports from East Germany consists of brown coal, coal by-products, machinery, and textiles. None of these items is indispensable, although West Germany would be inconvenienced by the loss of its East German brown-coal sources and would probably have to pay more to obtain what it needs elsewhere.

WEST GERMAN TRADE
(MILLIONS OF DOLLARS)



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West German business interests would also have to find Western markets for the raw material, machinery, and steel products now being shipped to East Germany.

Interzonal trade, however, accounted for less than 2 percent of the Federal Republic's total exports during the last three years and reached a peak value in 1959 of only \$256,800,000. The German press has tended to view economic sanctions as either ineffective or unwise. One paper stressed that interzonal trade remains one of the few ties between the two parts of Germany and therefore should not be disturbed. It also emphasized that any interruption of East German transit trade would deal West German shipping centers, such as Hamburg, a heavy blow. Other papers have pointed out that parallel trade restrictions by other Western nations would be needed to make any West German sanctions really effective.

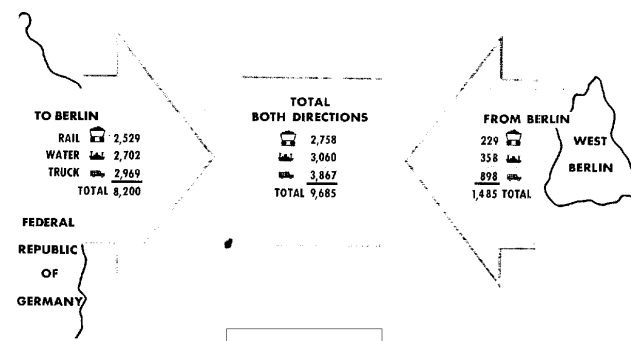
For the time being, at least, the West German Government is unwilling to take more than token countermeasures against East Germany's harassment. It has banned West German participation in next spring's Leipzig Fair and appealed to West German businessmen to refrain from making business trips to East Germany as long as restrictions on travel remain.

Effect on West Berlin

The booming economy of West Berlin--now 35 percent above prewar levels of industrial production--is highly

vulnerable if East Germany retaliates by cutting or severely harassing supply lines to West Germany. In 1959, West Berlin imported \$1.69 billion worth of goods from West Germany and shipped \$1.3 billion worth of goods to the West. About 65 percent of West Berlin's total industrial production is exported to West Germany, including 73 percent of the out-

**COMMERCIAL FREIGHT TRAFFIC
WEST BERLIN-WEST GERMANY 1959**
(1,000 OF METRIC TONS)



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put of the city's electrical equipment plants--which constitute its leading industry--and 70 percent of its clothing industry's production. West Germany supplies Berlin with the major portion of its food and agricultural products, coal, iron, steel, and other metals, chemical products, textiles, and various consumer goods.

West Berlin's dependence on West Germany is further reflected in the 9,500,000 tons of commercial freight shipped into and out of the city in 1959. Almost six times as much cargo moves into the city as in the opposite direction, with railway and road traffic accounting for 75 percent of the total volume, barge 22 percent, and air 3 percent.

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West Berlin's trade with East Germany and other bloc countries amounted to only about 3 percent of its total trade. Although East Germany supplies a small amount of fresh food, especially fruits, vegetables, and meats, the total food shipments from West Germany to Berlin are far greater in both volume and value. East Germany, however, supplies the major portion of West Berlin's vitally needed brown coal briquettes used extensively for heating private dwellings. West Germany does not produce enough brown coal to meet its own and West Berlin's needs.

Berlin Stockpiling

In 1948, with industry producing at only 19 percent of 1936 levels, West Berlin was kept alive with as little as 4,500 tons of food and coal a day. Today, however, the

city's booming industries use about 20,000 tons of raw materials a day in addition to 3,500 tons of food and 16,000 tons of coal, and the population has grown accustomed to the comforts prosperity brings.

As a result of the stockpiling program undertaken after the 1948 blockade, West Berlin has on hand sufficient basic foods--including grains, cereals, and sugar--to provide a year's supply at an estimated rate of food consumption of 2,950 calories per person per day. Berlin officials estimate that enough bricks, cement, and lumber have been stored to last the city an entire building season and enough hard coal for about 12 months. Stocks also include a six-month supply of brown-coal briquettes, dry milk, dehydrated vegetables, and medical supplies.

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(Prepared jointly with ORR)

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INDIA'S ARMED FORCES

"I should like India's defense forces to be known not only for their efficiency and daring but also for works of peace and friendship."

--Jawaharlal Nehru

India's military establishment, a national military force in its own right since 1947, is the largest in the uncommitted Afro-Asian bloc. During the 13 years since independence, parliamentary democracy and economic planning have begun to change the face of India, and a start has been made at whittling down age-old cultural and regional barriers. The impact of these internal changes and of shifting conditions outside India, especially the recent Sino-Indian

border dispute, has strongly influenced the military establishment.

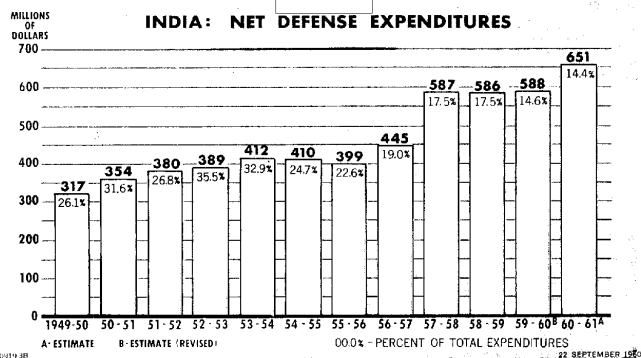
Role of Armed Forces

At the time of partition, India received two thirds of the British Indian military services. India's young, British-trained military leaders were faced with the necessity of quickly creating a national armed force capable of backing up New Delhi's policies both internally and externally. The disorders of the partition period, the short campaign in Kashmir, the "threat" of Pakistani invasion, the absorption of the princely states, and the suppression of Communist insurrection

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in southern India were among the early tests successfully met by the armed services.

In more recent years, the armed services, particularly the army, have been involved in manning the frontiers with Pakistan, especially the cease-fire line in Kashmir, in fighting the Naga rebellion in Assam, and, since the Sino-Indian border flare-up in 1959, in buttressing the defenses along the Indo-Tibetan frontier. Internally, during periods of unrest over labor, communal, or linguistic questions, New Delhi has increasingly relied on the army to restore order and maintain essential civil services. Units have also been contributed to international efforts in Korea, Vietnam, Gaza, and the Congo.

Numbering about 480,000 men, all of them volunteers, the armed services are thoroughly schooled in the British military tradition and imbued with a high esprit de corps. Constituting but 0.1 percent of the total population, they are relatively an elite group and are held in high respect by most of the Indian public. The same British traditions which have molded their military practices account also for the military's detached attitude toward politics. The services are loyal to the present government and to the concept of civil authority. Senior officers are almost invariably pro-British and pro-West, and Communist influence

is negligible. Doctrines and organization are British in origin, and the bulk of the military equipment is of British and American manufacture.

Defense Ministry

The Defense Ministry is presided over by

V. K. Krishna Menon.

Within his purview fall not only the three

armed services but also the defense industries, including the major ordnance factories.

Menon is generally disliked by his service chiefs, as he is by many of his countrymen. His only real source of strength is his close relationship with Nehru.

The services' resentment of Menon's highhanded behavior, especially his meddling in troop deployments and promotions, came to a head in 1959 when Chief of the Army Staff General Thimayya turned in his resignation in protest. Nehru, who appears to have viewed the Menon-Thimayya rift chiefly in the context of the question of civil control over the military, publicly chided the general and, with an eye toward the Chinese threat, rejected his resignation.

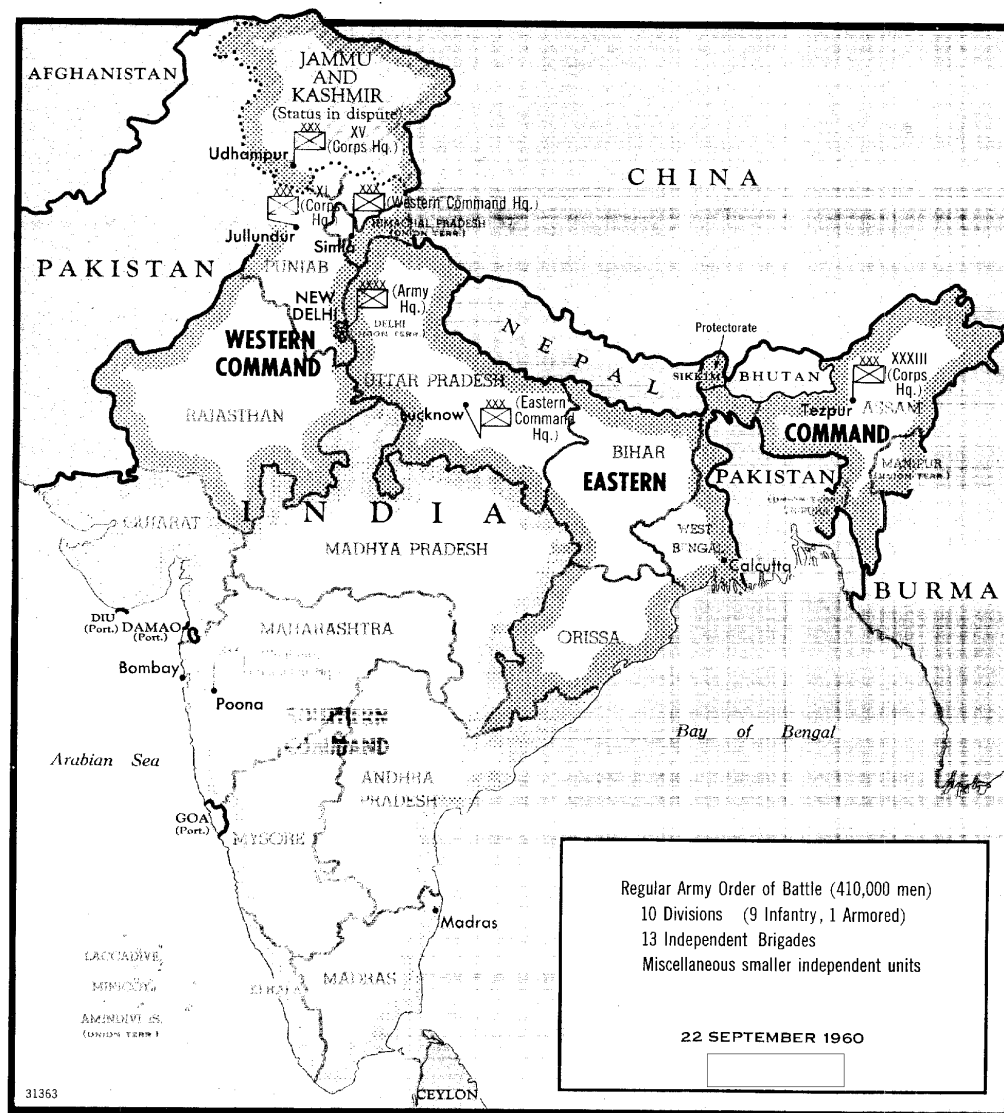
Menon has strongly favored lessening India's dependence on foreign sources for materiel, a major weakness of the armed services. Until greater self-sufficiency is reached however, Menon is apparently seeking to ingratiate himself with his service chiefs by supporting an increasing number of their requests for procurement of military items abroad and by advocating in the cabinet adoption of a more active policy along the Tibetan border.

He has recently purchased at least one Soviet helicopter against the advice of his service

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chiefs, however, and he is reported considering dispatching to Moscow a military evaluation mission to look into the purchase of transport aircraft and other helicopters.

Army

India's Army--the senior and paramount service--is about 410,000 strong, including about 25 battalions of Indian-officered Gurkha troops from

Nepal. There are, in addition, about 22,000 men under arms in various state forces, most of which are under the operational control of the army. Backing up the regular army are the Territorial Army, a reserve component numbering something less than 80,000 men, and the Armed Police, a military-type police organization numbering more than 100,000 men.

The army is divided into three major regional commands directly responsible to the Chief of the army staff in New Delhi.

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The army has been forcefully led by Gen. Thimayya, whose term as army chief of staff expires next year. While it is not clear who will succeed him, previous appointments have elevated one of the three regional commanders. The present incumbents are Lt. Gen. J. N. Chaudhuri, Lt. Gen. S.P.P. Thorat, and Lt. Gen. P.N. Thapar; all of whom, like Thimayya, were graduated from Sandhurst in the late 1920s.

The army's capabilities have been gradually improving owing to a modest program, now six years old, of equipment modernization and to a somewhat increased emphasis on training through the brigade level. However, much of its motor transport and some of its armor are old, and there are shortages of adequate communications equipment, spare parts, and technicians.

Until recently, the army was deployed primarily against the alleged threat of aggression from Pakistan, but within the last year it has devoted increasing attention to defense against possible Chinese incursions in the northern border area. Although there has been no substantial reduction of forces opposing Pakistan in the northwest, some forces have been redeployed and new units have been raised. The command setup in the northeast has been streamlined, and the army has assumed control of border outposts along the northern frontier. The army is particularly eyeing Chinese activities along the borders of Nepal, Sikkim, and Bhutan, where India is not in full control and where Thimayya believes future Chinese incursions might occur.

The army has shown itself capable of maintaining law and order internally. Externally it is believed capable of protecting the country from any attack by Pakistan and of con-

taining localized Chinese incursions in the northern border areas.

Navy

The navy is the smallest of the three services, despite its almost threefold expansion since 1947, and a major re-equipment program during the past few years. It now is believed capable of defending the nation's long coastline and protecting coastal shipping, although not against a major naval force. The navy is developing an anti-submarine warfare (ASW) capability and an air arm which is to be bolstered in 1961 by the addition of an ASW aircraft carrier from Great Britain. Naval personnel number about 16,000, about 650 of whom are associated with the nascent air arm.

Air Force

A heavy re-equipment program during the past six years

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INDIAN NAVY AND AIR FORCE ORDER OF BATTLE**NAVY (Personnel strength - 16,000)**

Ships:	
Light cruiser (CL, OCL)	2
Destroyer (DD)	3
Escort-type (DDE, DE, PF)	12
Minecraft	10
Other	22
On order:	
Aircraft carrier (CVS)	1
Escort vessel (DE)	1

Aircraft:	
Seahawk jet fighter	5
Other (jet & prop)	20
On order:	
Seahawk jet fighter	16
Alize ASW aircraft	12
Helicopters	5

AIR FORCE* (Personnel strength - 29,800)

	JET	PROP
Day fighters	358 (135)**	
Ftr.-bombers	383 (092)	
All-weather fighter	20 (020)	
Subtotal	761 (247)	
Light bombers	110 (056)	
Reconnaissance	4 (003)	30 (008)
Transports		165 (065)
Trainers & Misc.	73 (029)	331 (062)
TOTAL	948 (335)	526 (135)

* Date of information, 10 June 1960
 ** Figures in parentheses indicate aircraft tactically assigned.

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has enabled the air force to complete the transformation from propeller to jet in its first-line combat aircraft. It has maintained the pace by the acquisition of French Mystere and British Hawker Hunter jets to supplement the older British Vampires and French Ouragans (Toofani). Deliveries of Hunters are continuing. In addition, Canberra jet light bombers have been procured from Great Britain, and India now is manufacturing, under license, the Folland Gnat jet light fighter.

Airlift capability has been spotty, with the air force relying on a group of C-119s purchased from the United States in the early 1950s to augment its fleet of ancient C-47 Dakotas. Faced with the need to step up its support operations in the northern Himalayan region, New Delhi purchased an additional 29 C-119G Packets from the United States in April 1960 and is reported now ready to buy eight Soviet transports, probably the turboprop cub (AN-12).

As a long-term answer to the airlift problem, Defense Minister Menon has been pressing for a plan to manufacture in India the new, British-designed Avro-748, a twin-engine, jet-prop transport, the prototype of which has just flown successfully in the UK. Menon is also hopeful of persuading the nation's civil airline to select this aircraft for its expected re-equipment program.

Despite shortages of spare parts and technicians, the 30,000-man air force is believed reasonably capable of accomplishing its mission of air support for the ground forces. The accomplishment of its second mission--air

defense--is severely hampered by lack of modern early-warning and GCI facilities and limited all-weather capability. Against any potential enemy, flying comparable subsonic aircraft, the air force could give an excellent account of itself. It maintains approximately a four-to-one superiority over Pakistan in numbers of planes.

Prospects

One of the principal factors in the continuing aloofness of the armed forces from politics has been the stability of the government, which since 1947 has been in the hands of the Congress party and has had the able leadership and towering presence of Nehru. However, the armed forces have been used with increasing frequency to preserve internal order. The importance of their role as defenders of the nation and guardians of its institutions; cannot have been lost on their leaders, especially in the light of military takeovers elsewhere in the former colonial world. Should political conditions deteriorate seriously following the departure of Nehru from the political scene, there is little doubt that the army leaders, despite their traditions, would be tempted to seize power.

In any event, the armed forces can be expected to increase gradually in size and the officer corps to become more aware of the services' political and national significance, particularly as the older British-trained personnel are retired and their places filled with men who have been molded under independence rather than under British rule.

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